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8 **UNITED STATES DISTRICT COURT**
NORTHERN DISTRICT OF CALIFORNIA

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11 CHRISTOPHER NYREN, Individually and
12 on Behalf of All Others Similarly Situated,

13 Plaintiff,

14 v.

15 SENTINELONE, INC., TOMER
16 WEINGARTEN, and DAVID BERNHARDT,

17 Defendants.

18 Case No.

CLASS ACTION

19 CLASS ACTION COMPLAINT FOR
20 VIOLATIONS OF THE FEDERAL
21 SECURITIES LAWS

22 DEMAND FOR JURY TRIAL

1 Plaintiff Christopher Nyren (“Plaintiff”), individually and on behalf of all others similarly
2 situated, by and through Plaintiff’s attorneys, alleges the following upon information and belief,
3 except as to those allegations concerning Plaintiff, which are alleged upon personal knowledge.
4 Plaintiff’s information and belief is based upon, *inter alia*, the investigation conducted by
5 Plaintiff’s counsel, which includes without limitation: (a) review and analysis of regulatory
6 filings made by SentinelOne, Inc. (“SentinelOne” or the “Company”) with the United States
7 (“U.S.”) Securities and Exchange Commission (“SEC”); (b) review and analysis of press
8 releases and media reports issued and disseminated by SentinelOne; and (c) review of other
9 publicly available information concerning SentinelOne.

10 **NATURE OF THE ACTION**

11 1. This is a class action on behalf of persons and entities that purchased or otherwise
12 acquired SentinelOne securities between June 1, 2022 and June 1, 2023, inclusive (the “Class
13 Period”). Plaintiff pursues claims against the Defendants under the Securities Exchange Act of
14 1934 (“Exchange Act”).

15 2. SentinelOne is a cybersecurity company that claims to have pioneered the world’s
16 first AI-powered Extended Detection and Response (“XDR”) platform to make cybersecurity
17 defense truly autonomous. The Company claims its Singularity Platform instantly defends
18 against cyberattacks, performing at a faster speed, greater scale, and higher accuracy than
19 otherwise possible from humans. The Company’s fiscal year 2023 ended January 31, 2023.

20 3. SentinelOne claims that its “Annualized Recurring Revenue” or “ARR” is a key
21 business metric. The Company defines ARR as “the annualized revenue run rate of our
22 subscription and capacity contracts at the end of a reporting period, assuming contracts are
23 renewed on their existing terms for customers that are under contracts with us.”

24 4. Throughout the Class Period, Defendants made materially false and/or misleading
25 statements, as well as failed to disclose material adverse facts about the Company’s business,
26 operations, and prospects. Specifically, Defendants failed to disclose to investors: (i) that the
27 Company lacked effective internal controls over accounting and financial reporting; (ii) that, as
28

1 a result, the Company's ARR was overstated; (iii) that, as a result, the Company's guidance
 2 was overstated; and (iv) that, as a result of the foregoing, Defendant's positive statements about
 3 the Company's business, operations, and prospects were materially misleading and/or lacked a
 4 reasonable basis.

5 5. On June 1, 2023, after the market closed, SentinelOne published a press release
 6 titled "SentinelOne Announces First Quarter Fiscal Year 2024 Financial Results." Therein, the
 7 Company disclosed that "[a]s a result of a change in methodology and correction of historical
 8 inaccuracies, which we further describe in our letter to shareholders, we made a one-time
 9 adjustment to ARR of \$27.0 million or approximately 5% of total ARR." The Company also
 10 revised its fiscal year 2024 revenue guidance downward to a range of \$590 million to \$600
 11 million from a range of \$631 million to \$640 million. In a shareholder letter published the same
 12 day, SentinelOne further explained that "we . . . discovered historical upsell and renewal
 13 recording inaccuracies relating to ARR on certain subscription and consumption contracts,
 14 which are now corrected" and that "[w]e are applying a comparable estimated adjustment to
 15 the remaining quarters in fiscal year 23, which we believe is a reasonable approximation of the
 16 impact in those periods."

17 6. On this news, SentinelOne's stock price fell \$7.28 per share, or more than 35%,
 18 to close at \$13.44 per share on June 2, 2023.

19 7. As a result of Defendants' wrongful acts and omissions, and the precipitous
 20 decline in the market value of the Company's securities, Plaintiff and other Class members have
 21 suffered significant losses and damages.

JURISDICTION AND VENUE

23 8. The claims asserted herein arise under Sections 10(b) and 20(a) of the Exchange
 24 Act (15 U.S.C. §§ 78j(b) and 78t(a)) and Rule 10b-5 promulgated thereunder by the SEC (17
 25 C.F.R. § 240.10b-5).

26 9. This Court has jurisdiction over the subject matter of this action pursuant to 28
 27 U.S.C. § 1331 and Section 27 of the Exchange Act (15 U.S.C. § 78aa).

10. Venue is proper in this Judicial District pursuant to 28 U.S.C. § 1331(b) and Section 27 of the Exchange Act (15 U.S.C. § 78aa(c)). SentinelOne is headquartered in this Judicial District, Defendants conduct business in this Judicial District, and a significant portion of the misconduct alleged herein took place within this Judicial District.

11. In connection with the acts, transactions, and conduct alleged herein, Defendants directly and indirectly used the means and instrumentalities of interstate commerce, including the U.S. mail, interstate telephone communications, and the facilities of a national securities exchange.

PARTIES

12. Plaintiff, as set forth in the accompanying Certification, incorporated by reference herein, purchased SentinelOne securities during the Class Period, and suffered damages as a result of the federal securities law violations and false and/or misleading statements and/or material omissions alleged herein.

13. Defendant SentinelOne is incorporated under the laws of Delaware with its principal executive offices located in Mountain View, California. SentinelOne's Class A common stock trades on the New York Stock Exchange ("NYSE") under the ticker symbol "S".

14. Defendant Tomer Weingarten (“Weingarten”) was the Company’s Chief Executive Officer (“CEO”) at all relevant times.

15. Defendant David Bernhardt (“Bernhardt”) was the Company’s Chief Financial Officer (“CFO”) at all relevant times.

16. Defendants Weingarten and Bernhardt (collectively, the “Individual Defendants”), because of their positions with the Company, possessed the power and authority to control the contents of the Company’s reports to the SEC, press releases and presentations to securities analysts, money and portfolio managers and institutional investors, *i.e.*, the market. The Individual Defendants were provided with copies of the Company’s reports and press releases alleged herein to be misleading prior to, or shortly after, their issuance and had the ability and opportunity to prevent their issuance or cause them to be corrected. Because of their

1 positions and access to material non-public information available to them, the Individual
 2 Defendants knew that the adverse facts specified herein had not been disclosed to, and were
 3 being concealed from, the public, and that the positive representations which were being made
 4 were then materially false and/or misleading. The Individual Defendants are liable for the false
 5 statements pleaded herein.

SUBSTANTIVE ALLEGATIONS

Background

8 17. SentinelOne is a cybersecurity company that claims to have pioneered the world's
 9 first AI-powered XDR platform to make cybersecurity defense truly autonomous. The
 10 Company claims its Singularity Platform instantly defends against cyberattacks, performing at
 11 a faster speed, greater scale, and higher accuracy than otherwise possible from humans.

12 18. SentinelOne claims that its "Annualized Recurring Revenue" or "ARR" is a key
 13 business metric. The Company defines ARR as "the annualized revenue run rate of our
 14 subscription and capacity contracts at the end of a reporting period, assuming contracts are
 15 renewed on their existing terms for customers that are under contracts with us."

Materially False and Misleading Statements Issued During the Class Period

17 19. The Class Period begins on June 1, 2022, when SentinelOne issued a press release
 18 titled "SentinelOne Announces First Quarter Fiscal Year 2023 Financial Results." Therein, the
 19 Company stated, in relevant part:

20 SentinelOne, Inc. (NYSE: S) today announced financial results for the first quarter
 21 of fiscal year 2023 ended April 30, 2022.

22 "Our Q1 results demonstrate the combination of a robust demand environment for
 23 our leading cybersecurity platform and impressive execution across the board. We
 24 once again sustained triple-digit growth with significant margin expansion, added
 25 a record number of new customers, and exited the quarter with an extremely strong
 pipeline," said Tomer Weingarten, CEO of SentinelOne. "We're raising our
 revenue guidance to nearly triple-digit growth again this fiscal year, which now
 includes our acquisition of Attivo Networks."

26 "Our platform unit economics and highly efficient business model uniquely
 27 position us to pair hyper growth with meaningful margin expansion and our first

1 quarter results clearly demonstrate this success,” said Dave Bernhardt, CFO of
 2 SentinelOne. “I’m most proud of our record gross margins, which expanded double
 3 digits year-over-year. This really showcases the strong combination of our
 4 expanding product portfolio, data-enabled efficiencies, and operational excellence
 5 across SentinelOne.”

6 **Letter to Shareholders**

7 We have also published a letter to shareholders on the Investor Relations section of
 8 our website at investors.sentinelone.com. The letter provides further discussion of
 9 our results for the first quarter of fiscal year 2023 as well as our full fiscal year 2023
 10 financial outlook

11 **First Quarter Fiscal 2023 Highlights**

12 *(All metrics are compared to the first quarter of fiscal year 2022 unless otherwise
 13 noted)*

- 14 • **Total revenue** increased 109% to \$78.3 million, compared to \$37.4 million.
- 15 • ***Annualized recurring revenue (ARR) increased 110% to \$339.0 million
 16 as of April 30, 2022.***
- 17 • **Total customer count** grew over 55% to over 7,450 customers as of April
 18 30, 2022. Customers with ARR over \$100K grew 113% to 591 as of April
 19 30, 2022. Dollar-based net revenue retention rate was a record 131%.
- 20 • **Gross margin:** GAAP gross margin was 65%, compared to 51%. Non-
 21 GAAP gross margin was 68%, compared to 53%.
- 22 • **Operating margin:** GAAP operating margin was (115)%, compared to
 23 (165)%. Non-GAAP operating margin was (73)%, compared to (127)%.
- 24 • **Cash, cash equivalents and short-term investments** were \$1.6 billion as
 25 of April 30, 2022.

26 (Emphasis in bold and italics added.)

27 20. On the same day, June 1, 2022, the Company filed its quarterly report for the first
 28 quarter of its 2023 fiscal year, ended April 30, 2022. Therein, the Company touted that “ARR
 grew 110% year-over-year to \$339.0 million as of April 30, 2022, primarily due to high growth
 in the number of new customers purchasing our subscriptions and to additional purchases by

1 existing customers.” The report also stated that as of April 30, 2022, the Company’s “disclosure
 2 controls and procedures were effective at the reasonable assurance level.”

3 21. On August 31, 2022, SentinelOne issued a press release titled “SentinelOne
 4 Announces Second Quarter Fiscal Year 2023 Financial Results.” Therein, the Company stated,
 5 in relevant part:

6 SentinelOne, Inc. (NYSE: S) today announced financial results for the second
 7 quarter of fiscal year 2023 ended July 31, 2022.

8 ***“We delivered hyper growth and outperformance across all aspects of our
 9 business in Q2 - ARR, revenue, customer growth, net retention, and margins,”***
 10 said Tomer Weingarten, CEO of SentinelOne. “I’m proud of our team’s execution
 11 despite an evolving macro environment. Through Singularity XDR, we’re
 12 delivering what enterprises need the most: best-in-class protection and superior
 13 platform value.”

14 “Our business momentum remains extremely strong. We once again delivered a
 15 combination of triple-digit growth while steadily moving towards long term
 16 profitability. ARR growth accelerated to 122% and non-GAAP operating margins
 17 expanded 42 percentage points year-over-year,” said Dave Bernhardt, CFO of
 18 SentinelOne. “We’re raising our full-year growth expectations above and beyond
 19 our Q2 outperformance.”

20 **Letter to Shareholders**

21 We have also published a letter to shareholders on the Investor Relations section of
 22 our website at investors.sentinelone.com. The letter provides further discussion of
 23 our results for the second quarter of fiscal year 2023 as well as our full fiscal year
 24 2023 financial outlook.

25 **Second Quarter Fiscal 2023 Highlights**

26 *(All metrics are compared to the second quarter of fiscal year 2022 unless
 27 otherwise noted)*

- 28 • **Total revenue** increased 124% to \$102.5 million, compared to \$45.8 million.
- **Annualized recurring revenue (ARR) increased 122% to \$438.6 million as of July 31, 2022.**

- 1 • **Total customer count** grew about 60% to over 8,600 customers as of July
2 31, 2022. Customers with ARR over \$100K grew 117% to 755 as of July
3 31, 2022. Dollar-based net revenue retention rate was a record 137%.
- 4 • **Gross margin:** GAAP gross margin was 65%, compared to 59%. Non-
5 GAAP gross margin was 72%, compared to 62%.
- 6 • **Operating margin:** GAAP operating margin was (106)%, compared to
7 (147)%. Non-GAAP operating margin was (57)%, compared to (98)%.
- 8 • **Cash, cash equivalents and short-term investments** were \$1.2 billion as
9 of July 31, 2022.

(Emphases in bold and italics added.)

10 22. On the same day, August 31, 2022, the Company filed its quarterly report for the
11 second quarter of its 2023 fiscal year, ended July 31, 2022. Therein, the Company touted that
12 “ARR grew 122% year-over-year to \$438.6 million as of July 31, 2022, primarily due to high
13 growth in the number of new customers purchasing our subscriptions and to additional
14 purchases by existing customers.” The report also stated that as of July 31, 2022, the
15 Company’s “disclosure controls and procedures were effective at the reasonable assurance
16 level.”

17 23. On December 6, 2022, SentinelOne issued a press release titled “SentinelOne
18 Announces Third Quarter Fiscal Year 2023 Financial Results.” Therein, the Company stated,
19 in relevant part:

20 SentinelOne, Inc. (NYSE: S) today announced financial results for the third quarter
21 of fiscal year 2023 ended October 31, 2022.

22 ***“We once again delivered triple digit revenue and ARR growth*** fueled by strong
23 adoption of our Singularity XDR platform across endpoint, cloud, and identity.
24 Cybersecurity is mission-critical, and our Singularity platform is purpose built for
25 leading protection allowing us to deliver superior platform value,” said Tomer
26 Weingarten, CEO of SentinelOne. “We’re focused on enhancing productivity and
27 continuing to take market share in a dynamic environment.”

28 “We maintained the Rule of 60 again in Q3’2023. These results continue to signify
29 our ability to maintain a balance between compelling top line growth and improved
30 progress towards our long-term profitability targets,” said Dave Bernhardt, CFO of
31 SentinelOne.

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2 **Letter to Shareholders**

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4 We have also published a letter to shareholders on the Investor Relations section of
5 our website at investors.sentinelone.com. The letter provides further discussion of
6 our results for the third quarter of fiscal year 2023 as well as our full fiscal year
7 2023 financial outlook.

8 **Third Quarter Fiscal 2023 Highlights**

9
10 *(All metrics are compared to the third quarter of fiscal year 2022 unless otherwise
11 noted)*

- 12
- **Total revenue** increased 106% to \$115.3 million, compared to \$56.0 million.
 - **Annualized recurring revenue (ARR) increased 106% to \$487.4 million as of October 31, 2022.**
 - **Total customer count** grew about 55% to over 9,250 customers as of October 31, 2022. Customers with ARR over \$100,000 grew nearly 100% to 827 as of October 31, 2022. Dollar-based net revenue retention rate was 134%.
 - **Gross margin:** GAAP gross margin was 64%, compared to 64%. Non-GAAP gross margin was 71%, compared to 67%.
 - **Operating margin:** GAAP operating margin was (90)%, compared to (120)%. Non-GAAP operating margin was (43)%, compared to (69)%.
 - **Cash, cash equivalents, and investments** were \$1.2 billion as of October 31, 2022.

20 (Emphases in bold and italics added.)

21 24. On the same day, December 6, 2022, the Company filed its quarterly report for
22 the third quarter of its 2023 fiscal year, ended October 31, 2022. Therein, the Company touted
23 that “ARR grew 106% year-over-year to \$487.4 million as of October 31, 2022, primarily due
24 to high growth in the number of new customers purchasing our subscriptions and to additional
25 purchases by existing customers.” The report also stated that as of October 31, 2022, the

1 Company's "disclosure controls and procedures were effective at the reasonable assurance
 2 level."

3 25. On March 14, 2023, SentinelOne issued a press release titled "SentinelOne
 4 Announces Fourth Quarter Fiscal Year 2023 Financial Results." Therein, the Company stated,
 5 in relevant part:

6 **Fourth Quarter Fiscal 2023 Highlights**

7 *(All metrics are compared to the fourth quarter of fiscal year 2022 unless otherwise
 8 noted)*

- 9 • **Total revenue** increased 92% to \$126.1 million, compared to \$65.6 million.
- 10 • **Annualized recurring revenue (ARR) increased 88% to \$548.7 million as
 of January 31, 2023.**
- 11 • **Total customer count** grew about 50% to over 10,000 customers as of
 January 31, 2023. Customers with ARR over \$100,000 grew 74% to 905 as
 of January 31, 2023. Dollar-based net revenue retention rate remained
 above 130%.
- 12 • **Gross margin:** GAAP gross margin was 68%, compared to 63%. Non-
 GAAP gross margin was 75%, compared to 66%.
- 13 • **Operating margin:** GAAP operating margin was (79)%, compared to
 (108)%. Non-GAAP operating margin was (35)%, compared to (66)%.
- 14 • **Cash, cash equivalents, and investments** were \$1.2 billion as of January
 31, 2023.

20 **Full Year Fiscal 2023 Highlights**

21 *(All metrics are compared to fiscal year 2022 unless otherwise noted)*

- 22 • **Total revenue** increased 106% to \$422.2 million, compared to \$204.8
 million.
- 23 • **Gross margin:** GAAP gross margin was 66%, compared to 60%. Non-
 GAAP gross margin was 72%, compared to 63%.
- 24 • **Operating margin:** GAAP operating margin was (95)%, compared to
 (130)%. Non-GAAP operating margin was (49)%, compared to (85)%

(Emphasis in bold and italics added.)

26. In the press release, the Company also provided fiscal year 2024 (ending January 31, 2024) revenue guidance of between \$631 million and \$640 million.

27. On March 29, 2023, the Company filed its annual report for the fourth quarter and full year 2023, ended January 31, 2023. Therein, the Company touted that “ARR grew 88% year-over-year to \$548.7 million for fiscal 2023, primarily due to high growth in the number of new customers purchasing our subscriptions and to additional purchases by existing customers.” The filing also stated that the Company’s “internal control over financial reporting was effective as of January 31, 2023.”

28. The above statements identified in ¶¶ 19-27 were materially false and/or misleading and failed to disclose material adverse facts about the Company's business, operations, and prospects. Specifically, Defendants failed to disclose to investors: (i) that the Company lacked effective internal controls over accounting and financial reporting; (ii) that, as a result, the Company's ARR was overstated; (iii) that, as a result, the Company's guidance was overstated; and (iv) that, as a result of the foregoing, Defendant's positive statements about the Company's business, operations, and prospects were materially misleading and/or lacked a reasonable basis.

The Truth Emerges

29. On June 1, 2023, after the market closed, SentinelOne published a press release titled “SentinelOne Announces First Quarter Fiscal Year 2024 Financial Results.” Therein, the Company stated that “[a]s a result of a change in methodology and correction of historical inaccuracies . . . [SentinelOne] made a one-time adjustment to ARR of \$27.0 million[.]” Specifically, the Company stated, in relevant part:

As a result of a change in methodology and correction of historical inaccuracies, which we further describe in our letter to shareholders, we made a one-time adjustment to ARR of \$27.0 million or approximately 5% of total ARR, which we reflected in our total ARR as of April 30, 2023. ARR for the prior period in fiscal 2023 has been adjusted based on the same percentage adjustment rate identified in the first quarter of fiscal 2024.

1 30. In the press release, the Company also revised its fiscal year 2024 revenue
 2 guidance downward to a range of \$590 million to \$600 million.
 3

4 31. The same day, SentinelOne published a shareholder letter further explaining the
 5 ARR corrections. Therein, the Company stated, in relevant part:
 6

Annualized Recurring Revenue (ARR) & Revenue

7 ARR grew 75% year-over-year to \$564 million at the end of Q1, which reflects the
 8 one-time adjustment to both the current and the prior year period. In light of the
 9 current macro environment, we expect these lower usage and consumption trends
 10 to persist. Due to this new dynamic, we have changed the methodology for
 11 calculating ARR for consumption and usage-based agreements to reflect committed
 12 contract values. This provides a cleaner view of growth for fiscal 24 and beyond.
 13 By making this change now, we expect ARR and revenue to be more closely
 14 aligned. *As we reviewed the methodology, we also discovered historical upsell and
 15 renewal recording inaccuracies relating to ARR on certain subscription and
 16 consumption contracts, which are now corrected.*

17 *Overall, this adjustment resulted in a one-time ARR reduction of \$27 million or
 18 approximately 5% of ARR, resulting in Q4 fiscal '23 ending ARR of \$522 million.
 19 We are applying a comparable estimated adjustment to the remaining quarters in
 20 fiscal year 23, which we believe is a reasonable approximation of the impact in
 21 those periods.* This adjustment did not impact historical revenue or total bookings.

22 (Emphases in bold and italics added.)

23 32. On this news, SentinelOne's stock price fell \$7.28 per share, or more than 35%,
 24 to close at \$13.44 per share on June 2, 2023.

25 33. As a result of Defendants' wrongful acts and omissions, and the precipitous
 26 decline in the market value of the Company's securities, Plaintiff and other Class members have
 27 suffered significant losses and damages.

PLAINTIFF'S CLASS ACTION ALLEGATIONS

28 34. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil
 29 Procedure 23(a) and (b)(3) on behalf of a class, consisting of all persons and entities that
 30 purchased or otherwise acquired SentinelOne securities during the Class Period, and who were
 31 damaged thereby (the "Class"). Excluded from the Class are Defendants, the officers and
 32 directors of the Company, at all relevant times, members of their immediate families and their
 33

1 legal representatives, heirs, successors, or assigns, and any entity in which Defendants have or
2 had a controlling interest.

3 35. The members of the Class are so numerous that joinder of all members is
4 impracticable. Throughout the Class Period, SentinelOne's shares actively traded on the
5 NYSE. While the exact number of Class members is unknown to Plaintiff at this time and can
6 only be ascertained through appropriate discovery, Plaintiff believes that there are at least
7 hundreds or thousands of members in the proposed Class. Millions of SentinelOne shares were
8 traded publicly during the Class Period on the NYSE. Record owners and other members of
9 the Class may be identified from records maintained by SentinelOne or its transfer agent and
10 may be notified of the pendency of this action by mail, using the form of notice similar to that
11 customarily used in securities class actions.

12 36. Plaintiff's claims are typical of the claims of the members of the Class as all
13 members of the Class are similarly affected by Defendants' wrongful conduct in violation of
14 federal law that is complained of herein.

15 37. Plaintiff will fairly and adequately protect the interests of the members of the Class
16 and has retained counsel competent and experienced in class and securities litigation.

17 38. Common questions of law and fact exist as to all members of the Class and
18 predominate over any questions solely affecting individual members of the Class. Among the
19 questions of law and fact common to the Class are:

20 a) whether the federal securities laws were violated by Defendants' acts as
21 alleged herein;

22 b) whether statements made by Defendants to the investing public during the
23 Class Period omitted and/or misrepresented material facts about the business, operations, and
24 prospects of SentinelOne; and

25 c) to what extent the members of the Class have sustained damages and the
26 proper measure of damages.

39. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation makes it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

40. The market for SentinelOne’s securities was open, well-developed, and efficient at all relevant times. As a result of the materially false and/or misleading statements and/or failures to disclose, SentinelOne’s securities traded at artificially inflated prices during the Class Period. On September 12, 2022, the Company’s stock price closed at a Class Period high of \$29.33 per share. Plaintiff and other members of the Class purchased or otherwise acquired the Company’s securities relying upon the integrity of the market price of SentinelOne’s securities and market information relating to SentinelOne, and have been damaged thereby.

41. During the Class Period, the artificial inflation of SentinelOne’s shares was caused by the material misrepresentations and/or omissions particularized in this Complaint causing the damages sustained by Plaintiff and other members of the Class. As described herein, during the Class Period, Defendants made or caused to be made a series of materially false and/or misleading statements about SentinelOne’s business, prospects, and operations. These material misstatements and/or omissions created an unrealistically positive assessment of SentinelOne and its business, operations, and prospects, thus causing the price of the Company’s securities to be artificially inflated at all relevant times, and when disclosed, negatively affected the value of the Company shares. Defendants’ materially false and/or misleading statements during the Class Period resulted in Plaintiff and other members of the Class purchasing the Company’s securities at such artificially inflated prices, and each of them has been damaged as a result.

42. At all relevant times, the market for SentinelOne's securities was an efficient market for the following reasons, among others:

1 a) SentinelOne shares met the requirements for listing, and were listed and
2 actively traded on the NYSE, a highly efficient and automated market;

3 b) As a regulated issuer, SentinelOne filed periodic public reports with the
4 SEC and/or the NYSE;

5 c) SentinelOne regularly communicated with public investors via established
6 market communication mechanisms, including through regular dissemination of press releases
7 on the national circuits of major newswire services and through other wide-ranging public
8 disclosures, such as communications with the financial press and other similar reporting
9 services; and/or

10 d) SentinelOne was followed by securities analysts employed by brokerage
11 firms who wrote reports about the Company, and these reports were distributed to the sales
12 force and certain customers of their respective brokerage firms. Each of these reports was
13 publicly available and entered the public marketplace.

14 43. As a result of the foregoing, the market for SentinelOne's securities promptly
15 digested current information regarding SentinelOne from all publicly available sources and
16 reflected such information in SentinelOne's share price. Under these circumstances, all
17 purchasers of SentinelOne's securities during the Class Period suffered similar injury through
18 their purchase of SentinelOne's securities at artificially inflated prices and a presumption of
19 reliance applies.

20 44. A Class-wide presumption of reliance is also appropriate in this action under the
21 Supreme Court's holding in *Affiliated Ute Citizens of Utah v. United States*, 406 U.S. 128
22 (1972), because the Class's claims are, in large part, grounded on Defendants' material
23 misstatements and/or omissions. Because this action involves Defendants' failure to disclose
24 material adverse information regarding the Company's business operations and financial
25 prospects—information that Defendants were obligated to disclose—positive proof of reliance
26 is not a prerequisite to recovery. All that is necessary is that the facts withheld be material in
27 the sense that a reasonable investor might have considered them important in making

1 investment decisions. Given the importance of the Class Period material misstatements and
2 omissions set forth above, that requirement is satisfied here.

3 **UNDISCLOSED ADVERSE FACTS**

4 45. The market for SentinelOne's securities was open, well-developed, and efficient
5 at all relevant times. As a result of these materially false and/or misleading statements, and/or
6 failures to disclose, SentinelOne's securities traded at artificially inflated prices during the Class
7 Period. Plaintiff and other members of the Class purchased or otherwise acquired
8 SentinelOne's securities relying upon the integrity of the market price of the Company's
9 securities and market information relating to SentinelOne, and have been damaged thereby.

10 46. During the Class Period, Defendants materially misled the investing public,
11 thereby inflating the price of SentinelOne's securities, by publicly issuing false and/or
12 misleading statements and/or omitting to disclose material facts necessary to make Defendants'
13 statements, as set forth herein, not false and/or misleading. The statements and omissions were
14 materially false and/or misleading because they failed to disclose material adverse information
15 and/or misrepresented the truth about SentinelOne's business, operations, and prospects as
16 alleged herein.

17 47. At all relevant times, the material misrepresentations and omissions particularized
18 in this Complaint directly or proximately caused, or were a substantial contributing cause, of
19 the damages sustained by Plaintiff and other members of the Class. As described herein, during
20 the Class Period, Defendants made or caused to be made a series of materially false and/or
21 misleading statements about SentinelOne's financial well-being and prospects. These material
22 misstatements and/or omissions had the cause and effect of creating in the market an
23 unrealistically positive assessment of the Company and its financial well-being and prospects,
24 thus causing the Company's securities to be overvalued and artificially inflated at all relevant
25 times. Defendants' materially false and/or misleading statements during the Class Period
26 resulted in Plaintiff and other members of the Class purchasing the Company's securities at
27
28

1 artificially inflated prices, thus causing the damages complained of herein when the truth was
 2 revealed.

3 **LOSS CAUSATION**

4 48. Defendants' wrongful conduct, as alleged herein, directly and proximately caused
 5 the economic loss suffered by Plaintiff and the Class.

6 49. During the Class Period, Plaintiff and the Class purchased SentinelOne's
 7 securities at artificially inflated prices and were damaged thereby. The price of the Company's
 8 securities significantly declined when the misrepresentations made to the market, and/or the
 9 information alleged herein to have been concealed from the market, and/or the effects thereof,
 10 were revealed, causing investors' losses.

11 **SCIENTER ALLEGATIONS**

12 50. As alleged herein, Defendants acted with scienter since Defendants knew that the
 13 public documents and statements issued or disseminated in the name of the Company were
 14 materially false and/or misleading; knew that such statements or documents would be issued or
 15 disseminated to the investing public; and knowingly and substantially participated or
 16 acquiesced in the issuance or dissemination of such statements or documents as primary
 17 violations of the federal securities laws. As set forth elsewhere herein in detail, the Individual
 18 Defendants, by virtue of their receipt of information reflecting the true facts regarding
 19 SentinelOne, their control over, and/or receipt and/or modification of SentinelOne's allegedly
 20 materially misleading misstatements and/or their associations with the Company which made
 21 them privy to confidential proprietary information concerning SentinelOne, participated in the
 22 fraudulent scheme alleged herein.

23 **NO SAFE HARBOR**

24 51. The statutory safe harbor provided for forward-looking statements under certain
 25 circumstances does not apply to any of the allegedly false statements pleaded in this Complaint.
 26 The statements alleged to be false and misleading herein all relate to then-existing facts and
 27 conditions. In addition, to the extent certain of the statements alleged to be false may be

1 characterized as forward looking, they were not identified as “forward-looking statements”
 2 when made and there were no meaningful cautionary statements identifying important factors
 3 that could cause actual results to differ materially from those in the purportedly forward-looking
 4 statements. In the alternative, to the extent that the statutory safe harbor is determined to apply
 5 to any forward-looking statements pleaded herein, Defendants are liable for those false forward-
 6 looking statements because at the time each of those forward-looking statements was made, the
 7 speaker had actual knowledge that the forward-looking statement was materially false or
 8 misleading, and/or the forward-looking statement was authorized or approved by an executive
 9 officer of SentinelOne who knew that the statement was false when made.

10 **COUNT I**

11 **(Violations of Section 10(b) of the Exchange Act and Rule 10b-5 Promulgated Thereunder
 Against All Defendants)**

12 52. Plaintiff repeats and re-alleges each and every allegation contained above as if
 13 fully set forth herein.

14 53. During the Class Period, Defendants carried out a plan, scheme, and course of
 15 conduct which was intended to and, throughout the Class Period, did: (i) deceive the investing
 16 public, including Plaintiff and other Class members, as alleged herein; and (ii) cause Plaintiff
 17 and other members of the Class to purchase SentinelOne’s securities at artificially inflated
 18 prices. In furtherance of this unlawful scheme, plan, and course of conduct, Defendants, and
 19 each defendant, took the actions set forth herein.

20 54. Defendants: (i) employed devices, schemes, and artifices to defraud; (ii) made
 21 untrue statements of material fact and/or omitted to state material facts necessary to make the
 22 statements not misleading; and (iii) engaged in acts, practices, and a course of business which
 23 operated as a fraud and deceit upon the purchasers of the Company’s securities in an effort to
 24 maintain artificially high market prices for SentinelOne’s securities in violation of Section 10(b)
 25 of the Exchange Act and Rule 10b-5 promulgated thereunder. All Defendants are sued either
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 27
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1 as primary participants in the wrongful and illegal conduct charged herein or as controlling
2 persons as alleged below.

3 55. Defendants, individually and in concert, directly and indirectly, by the use, means,
4 or instrumentalities of interstate commerce and/or of the mails, engaged and participated in a
5 continuous course of conduct to conceal adverse material information about SentinelOne's
6 financial well-being and prospects, as specified herein.

7 56. Defendants employed devices, schemes, and artifices to defraud, while in
8 possession of material adverse non-public information and engaged in acts, practices, and a
9 course of conduct as alleged herein in an effort to assure investors of SentinelOne's value and
10 performance and continued substantial growth, which included the making of, or the
11 participation in the making of, untrue statements of material facts and/or omitting to state
12 material facts necessary in order to make the statements made about SentinelOne and its
13 business operations and future prospects in light of the circumstances under which they were
14 made, not misleading, as set forth more particularly herein, and engaged in transactions,
15 practices, and a course of business which operated as a fraud and deceit upon the purchasers of
16 the Company's securities during the Class Period.

17 57. Each of the Individual Defendants' primary liability and controlling person
18 liability arises from the following facts: (i) the Individual Defendants were high-level
19 executives and/or directors at the Company during the Class Period and members of the
20 Company's management team or had control thereof; (ii) each of these defendants, by virtue of
21 their responsibilities and activities as a senior officer and/or director of the Company, was privy
22 to and participated in the creation, development, and reporting of the Company's internal
23 budgets, plans, projections, and/or reports; (iii) each of these defendants enjoyed significant
24 personal contact and familiarity with the other defendants and was advised of, and had access
25 to, other members of the Company's management team, internal reports and other data and
26 information about the Company's finances, operations, and sales at all relevant times; and (iv)
27 each of these defendants was aware of the Company's dissemination of information to the
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1 investing public which they knew and/or recklessly disregarded was materially false and
2 misleading.

3 58. Defendants had actual knowledge of the misrepresentations and/or omissions of
4 material facts set forth herein, or acted with reckless disregard for the truth in that they failed
5 to ascertain and to disclose such facts, even though such facts were available to them. Such
6 defendants' material misrepresentations and/or omissions were done knowingly or recklessly
7 and for the purpose and effect of concealing SentinelOne's financial well-being and prospects
8 from the investing public and supporting the artificially inflated price of its securities. As
9 demonstrated by Defendants' overstatements and/or misstatements of the Company's business,
10 operations, financial well-being, and prospects throughout the Class Period, Defendants, if they
11 did not have actual knowledge of the misrepresentations and/or omissions alleged, were
12 reckless in failing to obtain such knowledge by deliberately refraining from taking those steps
13 necessary to discover whether those statements were false or misleading.

14 59. As a result of the dissemination of the materially false and/or misleading
15 information and/or failure to disclose material facts, as set forth above, the market price of
16 SentinelOne's securities was artificially inflated during the Class Period. In ignorance of the
17 fact that market prices of the Company's securities were artificially inflated, and relying directly
18 or indirectly on the false and misleading statements made by Defendants, or upon the integrity
19 of the market in which the securities trade, and/or in the absence of material adverse information
20 that was known to or recklessly disregarded by Defendants, but not disclosed in public
21 statements by Defendants during the Class Period, Plaintiff and the other members of the Class
22 acquired SentinelOne's securities during the Class Period at artificially high prices and were
23 damaged thereby.

24 60. At the time of said misrepresentations and/or omissions, Plaintiff and other
25 members of the Class were ignorant of their falsity, and believed them to be true. Had Plaintiff
26 and the other members of the Class and the marketplace known the truth regarding the problems
27 that SentinelOne was experiencing, which were not disclosed by Defendants, Plaintiff and other
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members of the Class would not have purchased or otherwise acquired their SentinelOne securities, or, if they had acquired such securities during the Class Period, they would not have done so at the artificially inflated prices which they paid.

61. By virtue of the foregoing, Defendants violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

62. As a direct and proximate result of Defendants' wrongful conduct, Plaintiff and the other members of the Class suffered damages in connection with their respective purchases and sales of the Company's securities during the Class Period.

COUNT II

(Violations of Section 20(a) of the Exchange Act Against the Individual Defendants)

63. Plaintiff repeats and re-alleges each and every allegation contained above as if fully set forth herein.

64. The Individual Defendants acted as controlling persons of SentinelOne within the meaning of Section 20(a) of the Exchange Act as alleged herein. By virtue of their high-level positions and their ownership and contractual rights, participation in, and/or awareness of the Company's operations and intimate knowledge of the false financial statements filed by the Company with the SEC and disseminated to the investing public, the Individual Defendants had the power to influence and control and did influence and control, directly or indirectly, the decision making of the Company, including the content and dissemination of the various statements which Plaintiff contends are false and misleading. The Individual Defendants were provided with or had unlimited access to copies of the Company's reports, press releases, public filings, and other statements alleged by Plaintiff to be misleading prior to and/or shortly after these statements were issued and had the ability to prevent the issuance of the statements or cause the statements to be corrected.

65. In particular, the Individual Defendants had direct and supervisory involvement in the day-to-day operations of the Company and, therefore, had the power to control or

influence the particular transactions giving rise to the securities violations as alleged herein, and exercised the same.

66. As set forth above, Defendants each violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder by their acts and omissions as alleged in this Complaint. By virtue of their position as controlling persons, the Individual Defendants are liable pursuant to Section 20(a) of the Exchange Act. As a direct and proximate result of Defendants' wrongful conduct, Plaintiff and other members of the Class suffered damages in connection with their purchases of the Company's securities during the Class Period.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for relief and judgment, as follows:

A. Determining that this action is a proper class action under Rule 23 of the Federal Rules of Civil Procedure;

B. Awarding compensatory damages in favor of Plaintiff and the other Class members against all defendants, jointly and severally, for all damages sustained as a result of Defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;

C. Awarding Plaintiff and the Class their reasonable costs and expenses incurred in this action, including counsel fees and expert fees; and

D. Such other and further relief as the Court may deem just and proper.

DEMAND FOR TRIAL BY JURY

Plaintiff hereby demands a trial by jury.

Dated: June 16, 2023

Respectfully submitted,

POMERANTZ LLP

/s/ Jennifer Pafiti

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20 *Attorneys for Plaintiff*

**CERTIFICATION PURSUANT
TO FEDERAL SECURITIES LAWS**

1. I, Christopher Nyren, make this declaration pursuant to Section 27(a)(2) of the Securities Act of 1933 (“Securities Act”) and/or Section 21D(a)(2) of the Securities Exchange Act of 1934 (“Exchange Act”) as amended by the Private Securities Litigation Reform Act of 1995.

2. I have reviewed a Complaint against SentinelOne, Inc. (“SentinelOne”) and authorize the filing of a comparable complaint on my behalf.

3. I did not purchase or acquire SentinelOne securities at the direction of plaintiffs’ counsel or in order to participate in any private action arising under the Securities Act or Exchange Act.

4. I am willing to serve as a representative party on behalf of a Class of investors who purchased or otherwise acquired SentinelOne securities during the Class Period as specified in the Complaint, including providing testimony at deposition and trial, if necessary. I understand that the Court has the authority to select the most adequate lead plaintiff in this action.

5. The attached sheet lists all of my transactions in SentinelOne securities during the Class Period as specified in the Complaint.

6. During the three-year period preceding the date on which this Certification is signed, I have not served or sought to serve as a representative party on behalf of a class under the federal securities laws.

7. I agree not to accept any payment for serving as a representative party on behalf of the Class as set forth in the Complaint, beyond my pro rata share of any recovery, except such reasonable costs and expenses directly relating to the representation of the class as ordered or approved by the Court.

8. I declare under penalty of perjury under the laws of the United States of America
that the foregoing is true and correct.

Executed 6/12/2023
(Date)

DocuSigned by:

Christopher Nyren
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Christopher Nyren

SentinelOne, Inc. (S)**Christopher Nyren****List of Purchases and Sales**

Transaction Type	Date	Number of Shares/Unit	Price Per Share/Unit
Purchase	6/1/2022	25	\$23.5000
Purchase	6/1/2022	20	\$24.6399
Purchase	6/1/2022	25	\$24.5000
Purchase	6/10/2022	50	\$23.5000
Purchase	6/13/2022	50	\$20.4000
Purchase	7/27/2022	50	\$23.5000
Purchase	10/13/2022	25	\$21.5000
Purchase	10/13/2022	25	\$20.5000
Purchase	11/3/2022	25	\$20.0000
Purchase	11/4/2022	25	\$18.0000
Purchase	11/4/2022	25	\$19.0000
Purchase	11/4/2022	25	\$19.5000
Purchase	11/9/2022	25	\$16.0000
Purchase	11/30/2022	50	\$14.3000
Purchase	12/1/2022	25	\$14.7479
Purchase	12/7/2022	50	\$13.0000
Purchase	1/19/2023	50	\$13.5000
Purchase	2/13/2023	50	\$15.5000
Purchase	3/9/2023	50	\$14.5000
Purchase	3/13/2023	25	\$13.5000
Purchase	3/13/2023	50	\$14.0000
Purchase	6/1/2023	50	\$13.2500
Purchase	6/1/2023	50	\$13.9000
Purchase	6/1/2023	50	\$14.2000
Sale	6/8/2022	(25)	\$25.7500
Sale	7/19/2022	(20)	\$25.1500
Sale	1/18/2023	(25)	\$15.1500
Sale	3/1/2023	(50)	\$15.5500
Sale	5/26/2023	(25)	\$20.9800
Sale	5/26/2023	(50)	\$20.9800